

MINUTES
Budget Advisory Committee
April 23, 2020, 1:30 p.m.

MEMBERS PRESENT: Vice-President for Financial Affairs – Mike McCoy, Assistant VP for Financial Affairs – Jonathan Craft, College of Business – Chris Nelson, Staff Senate – Bethany Campbell, Faculty Senate – Debra Vaughn, College of Arts & Sciences – Jeff Blankenship, College of Education – Wendy Cowan, Library – Mary Aquila, Information Technology - Bud Gifford, Physical Plant – Chris Moss, – Student Support Services - Mitchell Bazzel, University Advancement - Tonyia Bowling, Academic Affairs - Molly Myhan, and Barbara Ferguson, reporting.

Due to the campus closure related to COVID-19, members of the Budget Advisory Committee participated in this meeting by means of electronic communications (through a telephone/Zoom conference call). Mr. McCoy called the meeting to order at 1:30 p.m.

VP McCoy presented a handout summarizing all operating budget requests, including personnel and critical needs. He reminded the committee that the budget process began with a projected 5% reduction in credit hours and the Governor’s recommended state funding prior to COVID-19. He also discussed that the Board of Trustees and the President are very concerned about tuition rates and are not in favor of a tuition increase. He and Mr. Craft informed the committee that the recently received CARES grant funds may be used to fund one-time expenditures deemed critical to increasing quality in on-line education as necessitated by COVID-19. This will help with the significant budget increase requested by ATLAS.

VP McCoy discussed the options for preparing the budget as follows:

- Fund departmental budgets level with the prior year funding except where cost are fixed, such as software system subscriptions, and a deletion of the transfer to reserves. The committee discussed how this option impacts the hiring of new faculty for new programs. Mike indicated that \$1.5 million had already been factored into the proposed salary budget for new faculty for new programs. The Cabinet has indicated that the programs definitely moving forward are Advanced Manufacturing Management and Occupational Health & Safety Management. If other programs are approved, faculty would be hired even if funded from reserves.
- Fund departmental budgets at a 5% decrease from the prior year except where costs are fixed and a reduction of the transfer to reserves. Any excess revenue from increased credit hours would go to filling critical needs.
- Projecting increased revenue – the committee felt that with the COVID-19 pandemic things are too uncertain to be comfortable with this option.
- Presenting an unbalanced budget – so far as VP McCoy is aware, this has never been proposed at Athens State. He is not sure if this would be approved by the Board.

The committee agreed for VP McCoy and Mr. Craft to formulate a conservative budget. They request to review the budget periodically and make adjustments as needed if increases in

enrollment generate additional revenue. Mr. Craft will email the committee to develop a ranked list of critical needs to be funded should there be additional revenue.

The meeting was adjourned at 2:40 p.m.